

CITY OF FARGO
EMPLOYEES PENSION PLAN
State Investment Board
Balance Sheet
As of 9/30/2008

	As of <u>9-30-08</u>	As of <u>6-30-08</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 10,389,732	\$ 11,600,834
INTERNATIONAL EQUITIES	3,388,103	4,216,304
DOMESTIC FIXED INCOME	8,358,112	8,927,413
INTERNATIONAL FIXED INCOME	1,439,569	1,516,870
REAL ESTATE	1,548,094	1,595,296
ALTERNATIVE INVESTMENTS	1,408,074	1,684,654
INVESTED CASH (NOTE 1)	<u>229,674</u>	<u>122,633</u>
 TOTAL INVESTMENTS	 26,761,358	 29,664,004
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	<u>(6,324)</u>	<u>(6,444)</u>
 TOTAL RECEIVABLES	 (6,324)	 (6,444)
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	280,000	477,898
 TOTAL ASSETS	 <u>\$ 27,035,034</u>	 <u>\$ 30,135,458</u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	280,000	477,898
INVESTMENT EXPENSE PAYABLE	<u>37,360</u>	<u>37,510</u>
 TOTAL LIABILITIES	 317,360	 515,408
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	29,620,050	0
CASH IN DURING YEAR (NOTE 3)	0	31,807,740
CASH OUT DURING YEAR (NOTE 4)	400,000	350,000
NET INCREASE (DECREASE)	<u>(2,502,376)</u>	<u>(1,837,690)</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>26,717,674</u>	 <u>29,620,050</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 27,035,034</u>	 <u>\$ 30,135,458</u>

CITY OF FARGO
EMPLOYEES PENSION PLAN
State Investment Board
Profit and Loss Statement
For the Month Ended 9/30/2008

	Month Ended <u>9-30-08</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 46,639	\$ 146,663
SECURITIES LENDING INCOME	845	2,771
	<u>47,484</u>	<u>149,434</u>
 GAIN ON SALE OF INVESTMENTS	 350,917	 818,010
LOSS ON SALE OF INVESTMENTS	<u>441,918</u>	<u>853,614</u>
 NET GAINS (LOSSES) INVESTMENTS	 (91,001)	 (35,604)
 INVESTMENT EXPENSES	 2,945	 34,698
SECURITIES LENDING EXPENSES	670	2,080
 NET INVESTMENT INCOME	 (47,132)	 77,052
 NET APPREC (DEPREC) MARKET VALUE	 (2,047,929)	 (2,593,717)
MISCELLANEOUS INCOME/(EXPENSE)	<u>10,687</u>	<u>14,289</u>
 TOTAL INVESTMENT INCOME	 <u>(2,084,374)</u>	 <u>(2,502,376)</u>
 DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	0	0
 NET INCREASE (DECREASE)	 <u><u>\$ (2,084,374)</u></u>	 <u><u>\$ (2,502,376)</u></u>

CITY OF FARGO
EMPLOYEES PENSION PLAN
Notes To Financial Statements
September 30, 2008

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.